# Press release

from ASSA ABLOY AB (publ)

8 November 2006 no:21/06



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# ASSA ABLOY REPORTS STRONG STABLE SALES

- Sales for the third quarter increased by 10% to SEK 7,736 M (7,019), which includes 8% organic growth and 5% acquired growth.
- Operating income (EBIT) for the third quarter, excluding restructuring costs, amounted to SEK 1,235 M (1,103) corresponding to an EBIT-margin of 16.0% (15.7).
- Restructuring costs during the quarter totaled SEK 437 M.
- Net income for the third quarter amounted to SEK 366 M (706).
- Earnings per share for the third quarter amounted to SEK 0.99 (1.89), or SEK 2.02 (1.89) excluding restructuring items.
- Operating cash flow for the third quarter amounted to SEK 919 M (1,190).
- The acquisition of Fargo Electronics was completed on 3 August and is proceeding according to plan.

"We are seeing stable demand on our most important markets in Europe and North America, while acquisitions, headed by Fargo, are developing well," says President & CEO Johan Molin. "Our strong sales growth and the restructuring measures we have carried out provide good opportunities for further improving profitability."

#### **SALES AND INCOME**

	<u>T</u>	hird qua	arter	l	Nine mon	nonths		
	2006	2005	Change	2006	2005	Change		
Sales, SEK M	7,736	7,019	+10%	23,078	20,272	+14%		
of which,								
Organic growth			+8%			+9%		
Acquisitions			+5%			+3%		
Exchange-rate effects	-176		-3%	384		+2%		
Operating income (EBIT),								
SEK M	1,235*	1,103	+12%	3,496*	3,015	+16%		
Operating margin (EBIT), %	16.0*	15.7		15.2*	14.9			
Income before tax, SEK M	1,054*	969	+9%	3,014*	2,633	+14%		
of which, exchange-rate effects, SEK M	-18		-2%	53		+2%		
Net income, SEK M	366	706	-48%	1,367	1,922	-29%		
Operating cash flow, SEK M	919	1,190	-23%	2,339	2,552	-8%		
Earnings per share (EPS), SEK	2.02*	1.89	+7%			+14%		

\*Excluding restructuring costs totaling SEK 437 M (third quarter) or SEK 957 M (nine months)

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#### THIRD QUARTER

The Group's sales in the third quarter totaled SEK 7,736 M (7,019), an increase of 10% on the previous year. Organic growth was 8% (5). Newly acquired companies, principally Fargo and Adams Rite, contributed 5% (1) to sales. Translation of foreign subsidiaries' sales to Swedish kronor had a negative effect of SEK 176 M due to changes in exchange rates.

The quarter's earnings were burdened by restructuring costs of SEK 437 M. Operating income before depreciation, EBITDA, excluding restructuring costs amounted to SEK 1,464 M (1,317). The corresponding margin was 18.9% (18.8). The Group's operating income, EBIT, excluding restructuring costs amounted to SEK 1,235 M (1,103) after negative currency effects of SEK 30 M. The corresponding operating margin (EBIT) was 16.0% (15.7). The quarter's income before tax, excluding restructuring costs, amounted to SEK 1,054 M (969), including negative currency effects of SEK 18 M due to translation of foreign subsidiaries. The Group's tax charge totaled SEK 251 M (263), corresponding to an effective tax rate of 41% on reported income before tax. The reason for the increase in effective tax rate is that deferred tax on some restructuring items has not been considered. Earnings per share excluding restructuring items for the third quarter amounted to SEK 2.02 (1.89), which represents an increase of 7%.

Operating cash flow for the quarter amounted to SEK 919 M – equivalent to 87% of income before tax, excluding restructuring costs – compared with SEK 1,190 M last year. Working capital rose by SEK 241 M during the quarter due to increased capital tied up in accounts receivable as a result of growth, and to increased material costs which had a negative effect on inventories.

#### THE PERIOD JANUARY TO SEPTEMBER

Sales for the first nine months of the year totaled SEK 23,078 M (20,272), which represents an increase of 14%. Organic growth was 9% (4). Newly acquired companies contributed 3% (1). Exchange rates affected sales positively by SEK 384 M compared with the corresponding period in 2005.

Operating income before depreciation, EBITDA, excluding restructuring costs amounted to SEK 4,174 M (3,662). The corresponding margin was 18.1% (18.1). The Group's operating income, EBIT, excluding restructuring costs increased by 16% to SEK 3,496 M (3,015) after positive currency effects of SEK 58 M. The corresponding operating margin (EBIT) was 15.2% (14.9). Earnings per share for the period excluding restructuring items increased by 14% to SEK 5.85 (5.13). Operating cash flow for the period amounted to SEK 2,339 M (2,552). The cash flow was strong but affected by the strong sales growth combined with substantial price increases in inventories.

#### **RESTRUCTURING MEASURES**

The comprehensive restructuring program initiated at the start of the year is proceeding according to plan. The program includes some 50 individual restructuring measures. The roles of a large number of production units will be changed to focus mainly on assembly, and some units will be closed. The cost of the program is estimated at SEK 1,250 M and it is expected to generate cost savings of about SEK 600 M a year once the whole program is completed in 2009. Most of the costs of the program are expected to be expensed in 2006. About 80% of the costs will relate to payments associated with redundancies and the remainder to write-downs chiefly concerned with machinery and equipment.

In addition to the restructuring described above, it has been decided to cease the existing car-lock manufacturing in the UK because of the unprofitable cost position and prospects of British car manufacturers. The costs of closure are estimated to amount to SEK 200 M.

The quarter's earnings were burdened by restructuring costs totaling SEK 437 M. Of this, SEK 68 M relates to write-downs chiefly of machinery and equipment. Payments related to the action program amounted to SEK 51 M.

Costs related to the restructuring program amount to SEK 757 M in total, on top of which earnings have been burdened by SEK 200 M resulting from the cessation of car-lock manufacture in the UK. Out of the total of SEK 957 M, SEK 132 M relates to write-downs. Up to now, about 300 employees affected by the restructuring program have left the Group.

#### COMMENTS BY DIVISION

#### **EMEA**

Sales for the third quarter in the EMEA division (Europe, Middle East and Africa) totaled EUR 316 M (295), with 8% organic growth. Operating income excluding restructuring costs amounted to EUR 51 M (45), which represents an operating margin (EBIT) of 16.1% (15.2). Return on capital employed excluding restructuring items amounted to 17.9% (15.6). Operating cash flow before interest paid totaled EUR 58 M (59).

Sales growth remained stable at a high level during the third quarter. The Nordic region, Germany, eastern Europe and Africa are continuing to generate strong organic growth. Benelux and Spain are showing an improved sales trend. Restructuring costs for the quarter totaled EUR 34 M. The operating margin excluding restructuring costs continued to advance very well during the quarter.

#### **AMERICAS**

Sales for the third quarter in the Americas division totaled USD 359 M (308) with 9% organic growth. Acquired growth contributed 8%. Operating income excluding restructuring costs amounted to USD 71 M (58), which represents an operating margin (EBIT) of 19.8% (18.9). Return on capital employed excluding restructuring items amounted to 23.2% (21.6). Operating cash flow before interest paid totaled USD 68 M (80).

Americas' strong sales trend continued during the third quarter, with sustained good demand in North America. The Residential Group and Electromechanical Group report continuing strong growth for the quarter. The Architectural Hardware Group reports an improved growth rate. The acquisitions of Adams Rite and Baron are progressing according to plan. The operating margin excluding restructuring costs improved satisfactorily during the quarter as a result of the growth in sales volumes. Cash flow was restrained by the strong growth.

#### **ASIA PACIFIC**

Sales for the third quarter in the Asia Pacific division totaled AUD 111 M (108) with 3% organic growth. Operating income excluding restructuring costs amounted to AUD 12 M (15), representing an operating margin (EBIT) of 10.3% (13.9). Return on capital employed excluding restructuring items amounted to 12.7% (18.6). Operating cash flow before interest paid totaled AUD -2 M (6).

Sales in Asia advanced strongly, mainly driven by good performance on the Chinese market. Demand on the non-residential markets in both Australia and New Zealand continued to be good while residential markets remain at a low level. The operating margin excluding restructuring costs improved relative to the previous quarter but continued to be negatively affected by

increased material costs. Cash flow was weak due to building related capital expenditure made in connection with restructuring activities.

#### **GLOBAL TECHNOLOGIES**

The Global Technologies division reported sales of SEK 1,107 M (844) in the third quarter, with organic growth of 11%. Acquired growth contributed 22%. Operating income excluding restructuring costs amounted to SEK 168 M (128), giving an operating margin (EBIT) of 15.1% (15.2). Return on capital employed excluding restructuring items amounted to 16.1% (17.3). Operating cash flow before interest paid amounted to SEK 108 M (126).

Global Technologies reports continued strong organic growth in all three of its businesses. The acquisition of Fargo is proceeding according to plan as regards both sales growth and profitability. Restructuring costs relate mainly to consolidation of production in Norway, Germany and the USA.

The operating margin is affected positively by growth in sales volumes but constrained by continuing investments in an enlarged marketing and sales organization in the fast-growing segments. Cash flow is being held down by an expected outflow of working capital in acquired units.

#### **ENTRANCE SYSTEMS**

The Entrance Systems division reported sales of SEK 674 M (591) in the third quarter, representing organic growth of 11%. Acquired growth contributed 5%. Operating income excluding restructuring costs amounted to SEK 87 M (84), giving an operating margin (EBIT) of 12.9% (14.2). Return on capital employed excluding restructuring items amounted to 11.3% (11.2). Operating cash flow before interest paid amounted to SEK 23 M (44).

Demand continues to be good on all major markets, especially in the USA but also in Asia. Sales growth is strongest on markets where the division generates weaker profits. The profitability of acquired units is steadily improving but they continue to dilute the operating margin. The quarter's strong growth had a negative effect on cash flow.

#### **ACQUISITIONS**

The acquisition of Fargo Electronics, a world leader in security systems based on ID cards, including card writers, peripheral equipment and software, was completed at the beginning of August. Sales are expected to exceed USD 90 M in 2007, with a strong EBIT margin. The company has about 240 employees. The acquisition is expected to have a mildly diluting effect on earnings per share in 2006 and to contribute to earnings per share in 2007.

A small Brazilian manufacturer of contactless cards, specializing in cards for general communications, was acquired in July. In Denmark two small sales units were acquired in August with the aim of improving development in the electromechanical area. These units have annual sales of around SEK 100 M, with low profitability.

The combined acquisition price for these acquisitions, adjusted for acquired interest-bearing assets including estimated earn-outs, is about SEK 2,200 M. Preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amount to about SEK 2,000 M.

#### **OTHER EVENTS**

ASSA ABLOY has entered into a partnership with Cisco Systems, the world leader in Internet Protocol (IP) networks. The two companies will collaborate in developing compatible technologies for convergence between physical access and logical access. At the ASIS exhibition in San Diego, the two companies demonstrated a 'networked door' that combines ASSA ABLOY's new Hi-O<sup>TM</sup> (Highly Intelligent Operation) lock-technology system and Cisco's patent-pending IP-based converged access-control technology.

The aims of the partnership are to ensure that ASSA ABLOY's Hi-O products and Cisco's access-control products will work together and that access-control systems and video surveillance can be integrated into IP networks. Such integration will benefit customers by providing enhanced physical security and network security together with lower total costs of ownership.

#### PARENT COMPANY

'Other operating income' for the Parent company ASSA ABLOY AB totaled SEK 574 M (562) for the nine months. Income before tax amounted to SEK 480 M (1,070). Investments in tangible and intangible assets totaled SEK 15 M (13). Liquidity is good and the equity ratio was 44% (45).

#### **ACCOUNTING PRINCIPLES**

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are detailed on pages 66-70 of the 2005 Annual Report. New or revised IFRS effective after 31 December 2005 have had no material effect on the consolidated income statement or balance sheet. The Group's Interim Report is prepared in accordance with IAS 34 'Interim Financial Reporting' under the guidelines given in RR 31 issued by the Swedish Financial Accounting Standards Council. The Parent Company applies RR 32.

#### **OUTLOOK**

Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well, excluding the effects of future restructuring.

Long term, ASSA ABLOY expects an increase in security-driven demand. Focus on end-user value and innovation as well as leverage on ASSA ABLOY's strong position will accelerate growth and increase profitability.

Stockholm, 8 November 2006

Johan Molin
President and CEO

This Interim Report has not been reviewed by the Company's Auditor.

#### Financial information

The fourth quarter's report (Year-End Report) will be published on 14 February 2007.

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ASSA ABLOY is holding an **analysts' meeting** at **12.00 today in Stockholm**. The analysts' meeting can also be followed over the Internet at www.assaabloy.com. It is possible to submit guestions by telephone on **+44** (0)20 7162 0125.

#### Further information can be obtained from

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ASSA ABLOY is the world's leading manufacturer and supplier of locking solutions, meeting tough end-user demands for safety, security and user friendliness. The Group has some 30,000 employees and annual sales of about EUR 3 billion.

# **FINANCIAL INFORMATION**

INCOME STATEMENT	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Dec
	2006	2005	2006	2006	2005	2005
	SEK M	SEK M	EUR M <sup>1)</sup>	SEK M	SEK M	SEK M
Sales	7,736	7,019	2,482	23,078	20,272	27,802
Cost of goods sold	-5,055	-4,168	-1,577	-14,663	-12,017	-16,508
Gross Income	2,681	2,851	905	8,415	8,255	11,294
Selling and administrative expenses	-1,884	-1,749	-633	-5,881	-5,246	-7,224
Share in earnings of associated companies	1	1	1	5	6	8
Operating income	798	1,103	273	2,539	3,015	4,078
Financial items	-181	-134	-52	-482	-382	-522
Income before tax	617	969	221	2,057	2,633	3,556
Tax	-251	-263	-74	-690	-711	-943
Net income	366	706	147	1,367	1,922	2,613
Allocation of net income:						
Shareholders in ASSA ABLOY AB	364	705	146	1,361	1,917	2,608
Minority interests	2	1	1	6	5	5
EARNINGS PER SHARE	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep	Jan-Dec
	2006	2005		2006	2005	2005
	SEK	SEK		SEK	SEK	SEK
Earnings per share after tax and						
before dilution 3)	1.00	1.93		3.72	5.24	7.13
Earnings per share after tax and						
dilution 4)	0.99	1.89		3.67	5.13	6.97
Earnings per share after tax and						
dilution, excl restructuring costs 4)	2.02	1.89		5.85	5.13	6.97
CASH FLOW STATEMENT	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Dec
	2006	2005	2006	2006	2005	2005
	SEK M	SEK M	EUR M <sup>1)</sup>	SEK M	SEK M	SEK M
Cash flow from operating activities	883	1,197	228	2,122	2,319	3,450
Cash flow from investing activities	-2,405	<i>-</i> 195	-390	-3,635	-711	-1,052
Cash flow from financing activities	1,536	-937	162	1,510	-1,531	-2,325
Cash flow	14	65	0	-3	77	73

Name	BALANCE SHEET	30 Sep	30 Sep	30 Sep	31 Dec
Intangible fixed assets					
Tangible fixed assets   578   5,335   5,547   5,702     Financial fixed assets   136   1,251   1,486   1,557     Inventories   440   4,062   3,572   3,679     Trade receivables   583   5,380   4,906   4,818     Other non-interest-bearing current assets   108   992   1,000   838     Interest-bearing current assets   111   1,022   1,093   1,020     Total assets   3,971   36,625   33,509   33,692     Equity   1,503   13,860   13,523   14,413     Interest-bearing non-current liabilities   567   5,230   9,509   5,360     Non-interest-bearing current liabilities   567   5,230   9,509   5,360     Non-interest-bearing current liabilities   567   5,230   9,509   5,360     Non-interest-bearing current liabilities   1,155   10,655   4,387   7,963     Non-interest-bearing current liabilities   717   6,613   5,711   5,559     Total equity and liabilities   3,971   36,625   33,509   33,692     CHANGE IN EQUITY   Jan-Sep   2006   2005   2005     CHANGE IN EQUITY   Jan-Sep   14,413   11,253   11,253     IFRS-effect (IAS 39)   -7   -77     Dividend   10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	Indeed the Consultation of				
Financial fixed assets   136   1,251   1,486   1,557   Inventories   440   4,062   3,572   3,679   Trade receivables   583   5,380   4,906   4,818   Other non-interest-bearing current assets   108   992   1,000   838   Interest-bearing current assets   111   1,022   1,003   1,020   Total assets   3,971   36,625   33,509   33,692      Equity   1,503   13,860   13,523   14,413   Interest-bearing non-current liabilities   567   5,230   9,509   5,360   Non-interest-bearing current liabilities   29   272   379   397   Interest-bearing current liabilities   1,155   10,650   4,387   7,963   Non-interest-bearing current liabilities   3,971   36,625   33,509   33,692      CHANGE IN EQUITY   Jan-Sep   2006   2006   2005   2005     CHANGE IN EQUITY   Jan-Sep   2006   2006   2005   2005     CHANGE IN EQUITY   Jan-Sep   3,974   3,974   3,974     Change In Equity   1,528   14,413   11,253   11,253     IFRS-effect (IAS 39)   -		•			
Inventories	• • • • • • • • • • • • • • • • • • •		•		,
Trace receivables   583   5,380   4,906   4,818   Other non-interest-bearing current assets   108   992   1,000   338   Interest-bearing current assets   111   1,022   1,993   3,020			•		•
Cher non-interest-bearing current assets   108   992   1,000   838   Interest-bearing current assets   111   1,022   1,093   1,020			•		•
Interest-bearing current assets			•		
Equity					
Equity					
Interest-bearing non-current liabilities   567   5,230   9,509   5,360     Non-interest-bearing non-current liabilities   29   272   379   397     Interest-bearing current liabilities   1,155   10,650   4,387   7,963     Non-interest-bearing current liabilities   717   6,613   5,711   5,559     Total equity and liabilities   3,971   36,625   33,509   33,692     CHANGE IN EQUITY   Jan-Sep   2006   2005   2005     EUR M   SEK	Total assets	3,971	36,625	33,509	33,692
Non-interest-bearing non-current liabilities   29   272   379   397     Interest-bearing current liabilities   1,155   10,650   4,387   7,963     Non-interest-bearing current liabilities   717   6,613   5,711   5,559     Total equity and liabilities   3,971   36,625   33,509   33,692     CHANGE IN EQUITY   Jan-Sep   2006   2006   2005   2005     EUR M   SEK M   SEK M   SEK M   SEK M   SEK M     Opening balance 1 January   1,528   14,413   11,253   11,253     IFRS-effect (IAS 39)   77     Dividend <sup>13)                                   </sup>	Equity	•	-	-	
Interest-bearing current liabilities   1,155   10,650   4,387   7,963   Non-interest-bearing current liabilities   717   6,613   5,711   5,559   Total equity and liabilities   3,971   36,625   33,509   33,692	Interest-bearing non-current liabilities		-	•	
Non-interest-bearing current liabilities         717         6,613         5,711         5,559           Total equity and liabilities         3,971         36,625         33,509         33,692           CHANGE IN EQUITY         Jan-Sep 2006         Jan-Sep 2005         2005         2005           EUR M         SEK M         SEK M         SEK M         SEK M           Opening balance 1 January         1,528         14,413         11,253         11,253           IFRS-effect (IAS 39)         -         -         -         -         -77         -77           Dividend <sup>139</sup> -128         -1,189         -951         -951         -951           Minority interest acquisition/disposal         -1         -11         41         36           Cash flow hedges, fair value change         -         -1         -1         -1         -4         36           Exchange difference for the period         -43         -719         1,335         1,542           Net Income <sup>19</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>29</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         2005         2005					
CHANGE IN EQUITY         Jan-Sep 2006         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2006           CHANGE IN EQUITY         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2006         Zero 2005         Zero 2005           Opening balance 1 January         1,528         14,413         11,253         11,	<u> </u>		•	•	
CHANGE IN EQUITY         Jan-Sep 2006 2006 2005 2005 2005 2005 2005 EUR M SEK M SE					
Copening balance 1 January         1,528         14,413         11,253         11,253           IFRS-effect (IAS 39)         -         -         -         -77         -77           Dividend 13)         -128         -1,189         -951         -951         -951           Minority interest acquisition/disposal         -         -1         -11         41         36           Cash flow hedges, fair value change         -         -1         -         -3           Exchange difference for the period         -43         -719         1,335         1,542           Net Income 1)         147         1,367         1,922         2,613           Closing balance at end of period 2)         1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep         Jan-Sep         Jan-Sep         Jan-Dec           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on capital employed incl restructuring, %         12.2         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3 <td>Total equity and liabilities</td> <td>3,971</td> <td>36,625</td> <td>33,509</td> <td>33,692</td>	Total equity and liabilities	3,971	36,625	33,509	33,692
Copening balance 1 January         1,528         14,413         11,253         11,253           IFRS-effect (IAS 39)         -         -         -         -77         -77           Dividend <sup>13)</sup> -128         -1,189         -951         -951           Minority interest acquisition/disposal         -1         -11         41         36           Cash flow hedges, fair value change         -         -1         -1         -         -3           Exchange difference for the period         -43         -719         1,335         1,542           Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep	CHANGE IN EQUITY	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Opening balance 1 January         1,528         14,413         11,253         11,253           IFRS-effect (IAS 39)         -         -         -         -77         -77           Dividend 139         -128         -1,189         -951         -951           Minority interest acquisition/disposal         -1         -11         41         36           Cash flow hedges, fair value change         -         -1         -1         -         -3           Exchange difference for the period         -43         -719         1,335         1,542           Net Income 19         147         1,367         1,922         2,613           Closing balance at end of period 29         1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         Jan-Sep 2005         2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on capital employed incl restructuring, %         12.2         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3		2006	2006	2005	2005
FRS-effect (IAS 39)		EUR M	SEK M	SEK M	SEK M
Dividend <sup>13)</sup> -128 -1,189 -951         -951           Minority interest acquisition/disposal         -1 -11 -11         41 36           Cash flow hedges, fair value change        1 -1 -1        3           Exchange difference for the period         -43 -719 1,335 1,542           Net Income <sup>1)</sup> 147 1,367 1,922 2,613           Closing balance at end of period <sup>2)</sup> 1,503 13,860 13,523 14,413           KEY DATA         Jan-Sep 2006 2005 2005           Return on capital employed excl restructuring, %         16.5 15.7 15.9           Return on capital employed incl restructuring, %         12.2 15.7 15.9           Return on shareholders' equity, %         11.5 18.3 18.1           Equity ratio, %         37.8 40.4 42.8           Interest coverage ratio, times         5.3 7.9 8.2           Interest on convertible debentures net after tax, SEK M         32.4 24.8 33.1           Number of shares, thousands         365,918 365,918 365,918 365,918           Number of shares after dilution, thousands         379,606 378,718 378,718           Weighted average number of shares after dilution, thousands         379,606 378,718 378,718	Opening balance 1 January	1,528	14,413	11,253	11,253
Minority interest acquisition/disposal         -1         -11         41         36           Cash flow hedges, fair value change         -         -1         -         -3           Exchange difference for the period         -43         -719         1,335         1,542           Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         2005         2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         379,606         378,718         378,718	IFRS-effect (IAS 39)	-	-	-77	-77
Cash flow hedges, fair value change         -         -1         -         -3           Exchange difference for the period         43         -719         1,335         1,542           Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         2005         2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718	Dividend <sup>13)</sup>	-128	-1,189	-951	-951
Exchange difference for the period Net Income <sup>1)</sup> -43         -719         1,335         1,542           Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718	Minority interest acquisition/disposal	-1	-11	41	36
Exchange difference for the period Net Income <sup>1)</sup> -43         -719         1,335         1,542           Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718	Cash flow hedges, fair value change	-	-1	_	-3
Net Income <sup>1)</sup> 147         1,367         1,922         2,613           Closing balance at end of period <sup>2)</sup> 1,503         13,860         13,523         14,413           KEY DATA         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on capital employed incl restructuring, %         12.2         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718		-43	-719	1,335	
KEY DATA         Jan-Sep 2006         Jan-Sep 2005         Jan-Dec 2005           Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on capital employed incl restructuring, %         12.2         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718		147	1,367		2,613
Return on capital employed excl restructuring, %         16.5         15.7         15.9           Return on capital employed incl restructuring, %         12.2         15.7         15.9           Return on shareholders' equity, %         11.5         18.3         18.1           Equity ratio, %         37.8         40.4         42.8           Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718		1,503		13,523	14,413
Return on capital employed excl restructuring, %       16.5       15.7       15.9         Return on capital employed incl restructuring, %       12.2       15.7       15.9         Return on shareholders' equity, %       11.5       18.3       18.1         Equity ratio, %       37.8       40.4       42.8         Interest coverage ratio, times       5.3       7.9       8.2         Interest on convertible debentures net after tax, SEK M       32.4       24.8       33.1         Number of shares, thousands       365,918       365,918       365,918         Number of shares after dilution, thousands       381,050       378,718       378,718         Weighted average number of shares after dilution, thousands       379,606       378,718       378,718	KEY DATA		Jan-Sep	Jan-Sep	Jan-Dec
Return on capital employed incl restructuring, %       12.2       15.7       15.9         Return on shareholders' equity, %       11.5       18.3       18.1         Equity ratio, %       37.8       40.4       42.8         Interest coverage ratio, times       5.3       7.9       8.2         Interest on convertible debentures net after tax, SEK M       32.4       24.8       33.1         Number of shares, thousands       365,918       365,918       365,918         Number of shares after dilution, thousands       381,050       378,718       378,718         Weighted average number of shares after dilution, thousands       379,606       378,718       378,718			2006	2005	2005
Return on shareholders' equity, %       11.5       18.3       18.1         Equity ratio, %       37.8       40.4       42.8         Interest coverage ratio, times       5.3       7.9       8.2         Interest on convertible debentures net after tax, SEK M       32.4       24.8       33.1         Number of shares, thousands       365,918       365,918       365,918         Number of shares after dilution, thousands       381,050       378,718       378,718         Weighted average number of shares after dilution, thousands       379,606       378,718       378,718	Return on capital employed excl restructuring, %	_	16.5	15.7	15.9
Equity ratio, %       37.8       40.4       42.8         Interest coverage ratio, times       5.3       7.9       8.2         Interest on convertible debentures net after tax, SEK M       32.4       24.8       33.1         Number of shares, thousands       365,918       365,918       365,918         Number of shares after dilution, thousands       381,050       378,718       378,718         Weighted average number of shares after dilution, thousands       379,606       378,718       378,718	Return on capital employed incl restructuring, %		12.2	15.7	15.9
Equity ratio, %       37.8       40.4       42.8         Interest coverage ratio, times       5.3       7.9       8.2         Interest on convertible debentures net after tax, SEK M       32.4       24.8       33.1         Number of shares, thousands       365,918       365,918       365,918         Number of shares after dilution, thousands       381,050       378,718       378,718         Weighted average number of shares after dilution, thousands       379,606       378,718       378,718	Return on shareholders' equity, %		11.5	18.3	18.1
Interest coverage ratio, times         5.3         7.9         8.2           Interest on convertible debentures net after tax, SEK M         32.4         24.8         33.1           Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718         378,718	· · · · · · · · · · · · · · · · · · ·		37.8	40.4	42.8
Interest on convertible debentures net after tax, SEK M 32.4 24.8 33.1 Number of shares, thousands 365,918 365,918 365,918 Number of shares after dilution, thousands 381,050 378,718 378,718 Weighted average number of shares after dilution, thousands 379,606 378,718 378,718					
Number of shares, thousands         365,918         365,918         365,918           Number of shares after dilution, thousands         381,050         378,718           Weighted average number of shares after dilution, thousands         379,606         378,718	· · · · · · · · · · · · · · · · · · ·		32.4	24.8	33.1
Number of shares after dilution, thousands 381,050 378,718 378,718 Weighted average number of shares after dilution, thousands 379,606 378,718 378,718			365,918	365,918	365,918
			381,050	378,718	378,718
	Weighted average number of shares after dilution, thousands		379,606	378,718	378,718
	Average number of employees		31,400	29,301	29,578

# **QUARTERLY INFORMATION**

THE GROUP IN SUMMARY
(All amounts in SEK M if not noted otherwise)

Seles	(Adi Simbunts in SEK in il not noted differense)	Q1	Q 2	Q3	Q4	Jan-Sep	Full Year	Q1	Q 2	Q3	Jan-Sep	12 month
Cyanic growth												
Cyans   Cyan	Sales						27,802	7,653	7,689	7,736	23,078	
Consistanting coate   2,544   2,660   4,076					7%	4%	5%	12%	7%	8%	9%	
Copas income   Sales   40 6%   41 0%   40 6%	Gross income											
Commission   Com												
	Gross income / Sales	40.6%	41.0%	40.6%	40.4%	40.7%	40.6%	40.7%	40.8%	40,3%	40.6%	40.5%
excl restructuring costs 1,162 1,243 1,317 1,288 1,569 1,780												
Cross margin (EBITDA)   17.6%   17.8%   18.9%   17.2%   18.1%   17.2%   17.4%   17.9%   18.9%   18.9%   17.2%   17.9%   18.9%   17.9%   18.9%   17.9%   18.9%   17.9%   18.9%   17.2%   17.9%   18.9%   17.2%   17.9%   18.9%   17.2%   17.9%   18.9%   17.2%   17.9%   18.9%   17.2				4 545	4 200		4.000	4 222	4 270	4 404	4 474	E 473
Depreciation							•				•	,
Coparating Income (EBIT)   excl restructuring coets   10.22	Gross margin (EBITDA)	17.0%	17.076	10.076	17.276	10.176						
exct restructuring costs         890         1,022         1,103         1,068         3,015         4,078         1,110         1,151         1,235         3,486         4,586           Coperating margin (cestr)         12         14         16,798         14,798         14,798         14,798         15,598         15,094         16,998         16,998         19,997         987           Operating income (EBIT)         890         1,022         1,103         1,063         3,015         4,078         1,110         641         798         2,539         3,602           Financial items         1128         2128         13,08         12,30         3,555         965         475         617         2,057         2,980           Profit margin (EBT)         12,28         12,98         13,88         12,33         13,556         965         475         661         1,917         2,603         965         475         691         1,917         943         261         1,916         4,918         1,918         2,918         1,918         2,918         1,918         2,918         1,918         2,918         1,918         2,918         1,918         2,918         1,918         2,918         2,918         1,918	Depreciation	-212	-221	-214	-235	-647	-882	-222	-227	-229	-678	- <del>9</del> 13
Persistricturing costs   14 2%   14 6%   15.7%   14.1%   14.9%   14.7%   14.5%   15.0%   15.0%   15.2%   14.9%   14.												
Restructuring costs												
Paralling income (EBIT)   890   1,022   1,103   1,063   3,015   4,078   1,110   631   798   2,539   3,602	Operating margin (EBIT)	14.2%	14.6%	15.7%	14.1%	14.9%	14,7%	14.5%	15.0%	16.0%	15.2%	14,9%
Financial items	Restructuring costs	-	-	•	•	•	-	-	-520	-437	-957	-957
Income before tax	Operating income (EBIT)	890	1,022	1,103	1,063	3,015	4,078	1,110	631	798	2,539	3,602
Profit margin (EBT)   12.9%   12.9%   13.8%   12.3%   13.0%   12.8%   12.6%   6.2%   8.0%   8.9%   9.7%     Tax   -205   -243   -263   -232   -711   -943   -261   -178   -251   -4590   -922     Net Income   559   657   706   691   1.912   2.613   704   297   366   1.367   2.058     Allocation of net Income:   Share holders in ASSA ABLOY AB   558   654   705   691   1.917   2.608   703   294   364   1.361   2.052     Minority interests   1	Financial items	-126	-122	-134	-140	-382	-522	-145	-156	-181	-482	-622
Profit margin (EBT)   12.9%   12.9%   13.8%   12.3%   13.0%   12.8%   12.6%   6.2%   8.0%   8.9%   9.7%     Tax   -205   -243   -263   -232   -711   -943   -261   -176   -251   -690   -922     Net Income   559   657   706   691   1.912   2.613   704   297   366   1.367   2.058     Allocation of net income:   Share holders in ASSA ABLOY AB   558   654   705   691   1.917   2.606   703   294   364   1.361   2.052     Minority interests   1	lace we before the	764	800	969	977	2613	3 556	965	476	617	2 057	2 980
Net Income   S59   S59   S57   706   S91   1,922   2,613   704   297   368   1,367   2,058						-					-	
Net Income   S59   657   706   691   1,922   2,613   704   297   366   1,367   2,058	Flour wargin (FRI)	12.270	12.9%	13.8%	12.3%	13.076	12.074	12,576	0.276			
Allocation of net income:	Tax					-711						
Share holders in ASSA ABLOY AB   558   654   705   691   1,917   2,608   703   294   364   1,361   2,052   2,056   2,066   2	Net income	559	657	706	691	1,922	2,613	704	297	366	1,367	2,058
Minority interests   1 3 1 0 5 5 5 1 3 3 2 6 6 6			<del></del>	<del> </del>								
Community   Comm		55B 1									1,361 6	
Change in working capital   A   Q   Q   Q   Q   Q   Q   Q   Q   Q												
Comparing income (EBIT)   890   1,022   1,103   1,063   3,015   4,078   1,110   631   788   2,539   3,602   788   788   2,539   3,602   788   788   2,539   3,602   788   788   2,539   3,602   788	OPERATING CASH FLOW					In Ca	FII Vees				lea Can	12
Comparison (EBIT)   890   1,022   1,103   1,063   3,015   4,078   1,110   631   788   2,539   3,602												
Restructuring costs	Otip- income (CDIT)											
Depreciation   212   221   214   235   647   882   222   227   229   678   913	- · · · · · · · · · · · · · · · ·	<b>OAO</b>	1,022	1,103	1,003	3,015	4,076	1,110				
Net capital expenditure		212	224	24.4	225	647	992	722				
Change in working capital   -333   -201   102   322   -432   -110   -492   -163   -241   -896   -574   -784   -896   -574   -784   -7												
Paid and received interest   -83   -80   -87   -205   -250   -455   -114   -176   -131   -421   -626   Adjustment for non-cash items   3   12   -7   -34   8   -26   41   -26   -22   -7   -41   Operating cash flow   1   -26   -22   -7   -41   Operating cash flow   1   1   1   1   1   1   1   1   1												
Adjustment for non-cash items 3 12 -7 -34 8 -26 41 -26 -22 -7 -41 Operating cash flow \$^{1}\$ 549 813 1,190 1,150 2,552 3,702 587 833 919 2,339 3,489 Operating cash flow \$^{1}\$ Income before tax \$^{1}\$ 0.72 0.90 1.23 1.25 0.97 1.04 0.61 0.84 0.87 0.78 0.89   CHANGE IN NET DEBT  \[ \begin{array}{c c c c c c c c c c c c c c c c c c c												
Change in Net Debt   Q1   Q2   Q3   Q4   Jan-Sep   Full Year   Q1   Q2   Q3   Jan-Sep   Z006   Z00												
CHANGE IN NET DEBT				<del></del>								
Q1 2005         Q2 2005         Q3 2005         Q3 2005         Q1 2005         Q2 2005 <t< td=""><td></td><td></td><td></td><td></td><td></td><td>-</td><td></td><td></td><td></td><td></td><td></td><td></td></t<>						-						
Q1 2005         Q2 2005         Q3 2005         Q3 2005         Q3 2005         Q1 2005         Q2 2005 <t< td=""><td>CHANCE IN MET DEDT</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	CHANCE IN MET DEDT											
Net debt at beginning of the period   12,208   2005   2005   2005   2005   2006   20	CHARGE IN NET DEB!	0.4	0.2	0.3	0.4	lan-San	Eull Voor	0.1	0.2	0.3	lan-Sen	
Net debt at beginning of the period 12,208 12,499 13,860 12,769 12,208 12,208 12,208 12,506 13,127 12,240 1FRS-effect (IAS 39) 77 - 77 7 - 77 7												
IFRS-effect (IAS 39)         77         96         190         200         341	Net debt at haginging of the period											-
Operating cash flow         -549         -813         -1,190         -1,150         -2,552         -3,702         -587         -833         -919         -2,339           Restructuring payment         56         59         42         141         157         298         161         52         51         264           Tax paid         167         373         122         257         662         919         200         341         187         728           Acquisitions         111         123         66         113         300         413         682         255         2,187         3,124           Dividend         -         951         -         -         951         -         1,189         -         1,189           Translation differences         429         668         -131         110         966         10,76         -19         -383         152         -421           Nat debt at end of period         12,499         13,860         12,769         12,240         12,769         12,240         12,506         13,127         14,785         14,785			12,400	15,000	,1,,00				12,000	10,12		
Restructuring payment         56         59         42         141         157         298         161         52         51         264           Tax paid         167         373         122         257         662         919         200         341         187         728           Acquisitions         111         123         66         113         300         413         682         255         2,187         3,124           Dividend         -         951         -         951         -         1,189         -         1,189           Translation differences         429         668         -131         110         966         1,076         -190         -383         152         -421           Net debt at end of period         12,499         13,860         12,769         12,240         12,240         12,506         13,127         14,785         14,785	, ,		-813	-1.190	-1,150			-587	-833	-919	-2.339	
Tax paid         167         373         122         257         662         919         200         341         187         728           Acquisitions         111         123         66         113         300         413         682         255         2,187         3,124           Dividend         -         951         -         951         -         951         -         1,189           Translation differences         429         568         -131         110         966         1,076         -190         -383         152         -421           Net debt at end of period         12,499         13,860         12,769         12,240         12,240         12,240         12,506         13,127         14,785         14,785												
Acquisitions         111         123         66         113         300         413         682         25         2,187         3,124           Dividend         -         951         -         -         951         -         1,189         -         1,189           Translation differences         429         568         -131         110         966         1,076         -190         -383         152         -421           Nat debt at end of period         12,499         13,860         12,769         12,240         12,240         12,506         13,127         14,785         14,785												
Dividend         -         951         -         -         951         -         1,189         -         1,189           Translation differences         429         668         -131         110         966         1,076         -190         -383         152         -421           Net debt at end of period         12,499         13,860         12,769         12,240         12,769         12,240         12,506         13,127         14,785         14,785												
Translation differences         429         668         -131         110         966         1,076         -190         -383         152         -421           Net debt at end of period         12,499         13,860         12,769         12,240         12,769         12,240         12,240         12,506         13,127         14,785         14,785		-		-	-			-				
Net debt at end of period 12,499 13,860 12,769 12,240 12,769 12,240 12,506 13,127 14,785 14,785		429		-131	110			-190		152		_
Net debt / Equity, times 1.03 1.07 0.95 0.85 0.95 0.85 0.84 0.98 1.07 1.07					12,240	12,769		12,506	13,127	14,785	14,785	-
	Net debt / Equity, times	1.03	1.07	0.95	0.85	0.95	0.85	0.84	0.98	1.07	1.07	

NET DEBT											
	Q1	Q 2	Q3	Q 4			Q 1	Q 2	Q 3		
	2005	2005	2005	2005			2006	2006	2006		
Long-term interest-bearing receivables	-37	-40	-36	-62			-61	-65	-73		
Short-term interest-bearing investments	-171	-249	-147	-104			-87	-179	-181		
Cash and bank balances	-896	-881	-945	<i>-</i> 916			-958	-833	-841		
Pension provisions	1,739	1,860	1,601	1,634			1,657	1,337	1,329		
Other long-term interest-bearing liabilities	6,138	8,068	7,908	3,726			4,541	3,830	3,901		
Short-term interest-bearing liabilities	5,726	5,102	4,388	7,963			7,414	9,037	10,650	_	
Total	12,499	13,860	12,769	12,240			12,506	13,127	14,785		
CAPITAL EMPLOYED AND FINANCING											
	Q 1	Q 2	Q3	0.4			Q 1	Q 2	Q 3		
	2005	2005	2005	2005			2006	2006	2006		
Capital employed	24,675	26,759	26,292	26,653			27,368	26,497	28,645	•	
of which goodwill	14,562	15,631	15,519	15,716			15,966	15,572	17,237		
Net debt	12,499	13,860	12,769	12,240			12,506	13,127	14,785		
Minority interest	29	79	74	71			70	59	64		
Shareholders' equity (excl minority interest)	12,147	12,820	13,449	14,342			14,793	13,311	13,796		
DATA PER SHARE											
	Q 1	Q 2	Q 3	Q 4	Jan-Sep	Full Year	Q 1	Q 2	Q 3	Jan-Sep	12 month
	2005	2005	2005	2005	2005	2005	2006	2006	2006	2006	rolling
	ŞEK	ŞEK	SEK	SEK	SEK	SEK	SEK	SEK	SEK	SEK	SEK
Earnings per share after tax and											
before dilution 3)	1,52	1.79	1.93	1.89	5.24	7,13	1.92	0.80	1.00	3.72	5.61
Earnings per share after tax and											
dilution <sup>6</sup>	1.49	1.75	1.89	1.64	5.13	6.97	1.88	0.80	0.99	3.67	5.51
	1,49	1.75	1.89	1.84	5.13	6.97	1.68	1.95	2.02	5.85	7.69
Earnings per share after tax and dilution excl restructuring costs <sup>4)</sup> Shareholders' equity per share	1.49	1.75	1.89	1.84	5.13	6.97	1.68	1.95	2.02	5.85	7.69

# **RESULTS BY DIVISION**

	EM	IEA 7)	Amer	icas <sup>iņ</sup>	Asia P	acific <sup>9</sup>	Glot Technolo		Entrar System		Othe	er	Tot	
Jul - Sep and 30 Sep respectively	ÉÚA	M	USD	M	AUD	M	SEK	M	SEK		SEK		SEK	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Sales, external	305	289	358	307	100	98	1,082	821	667	583			7,736	7,019
Sales, intragroup	11	6	1	1	11	10	25	23	7	В	-202	-156		
Sales	316	295	359	308	111	108	1,107	844	674	591	-202	156	7,736	7,019
Organic growth *)	8%	4%	9%	4%	3%	5%	11%	9%	11%	6%			8%	5%
Operating Income (EBIT)	51	45	71	58	12	15	168	128	87	84	-75	-59	1,235	1,103
Operating margin (EBIT)	16,1%	15,2%	19,8%	18,9%	10,3%	13.9%	15,1%	15,2%	12,9%	14,2%			16,0%	15,7%
Restructuring costs	-34		-3		-4	-	-79	-	-1	-	-	-	-437	-
Operating Income (EBIT)														
incl restructuring costs	17	45	68	58		15	89	128	86	84	-75	-59	798	1,103
Capital employed	1,042	1,108	1,216	1.058	372	334	5,190	2,959	3,135	3,019	-271	-173	28,645	26,292
- of which goodwill	509	508	737	656	178	173	3,685	2,281	2.458	2,408			17,237	15,519
Return on capital employed														
excl restructuring	17.9%	15.6%	23.2%	21.6%	12.7%	18.6%	16.1%	17.3%	11.3%	11.2%			17.4%	16.3%
Operating income (EBIT)	17	45	68	58	6	15	89	128	86	84	-75	-59	798	1,103
Restructuring costs	34	-	3		4		79	-	1	-	-	-	437	
Depreciation	12	12	8	8	2	2	37	12	10	10	3	2	229	214
Net capital expenditure	0	-7	-6	-5	-8	-1	-55	-23	-4	-8	-5	4	-151	-135
Movement in working capital	-5	9	-5	18	-8	-10	-42	9	-70	-42	-10	-18	-241	102
Cash flow <sup>5)</sup>	58	59	68	80	-2	6	108	126	23	44			1,072	1,284
Adjustment for non-cash items											-22	-7	-22	-7
Paid and received interest											-131	-87	-131	-87
Operating cash flow <sup>8</sup>													919	1,190

	CH	EA <sup>η</sup>		icas <sup>m</sup>	Ania D	acific <sup>9</sup>	Glob Technolo		Entrar System		Othe	_	Tol	ial .
Jul - Sep and 30 Sep respectively	SEK		SEK		SEK		SEK		SEK		SEK		SEK	
Jul - Sep and So Sep respectively	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Sales, external	2,815	2.699	2,623	2,350	549	566	1,082	821	667	583			7,736	7,019
Sales, intragroup	99	62	9	9	62	55	25	23	7	8	-202	-156		
Sales	2,914	2,761	2,632	2,359	611	621	1,107	844	674	591	-202	156	7,736	7,019
Organic growth *	8%	4%	9%	4%	3%	5%	11%	9%	11%	6%			8%	5%
Operating Income (EBIT)	489	418	523	445	63	88	168	128	87	84	-75	-59	1,235	1,103
Operating margin (EBIT)	16,1%	15,2%	19,8%	18,9%	10,3%	13,9%	15,1%	15,2%	12,9%	14,2%			16,0%	15,7%
Restructuring costs	-316		-23		-18	•	-79	-	-1	-	-	•	-437	-
Operating Income (EBIT)														
incl restructuring costs	153	418	500	445	45	86	89	128	86	84	-75	-59	798	1,103
Capital employed	9,609	10.330	8.965	8,190	2.017	1,967	5,190	2.959	3,135	3.019	-271	-173	28.645	26,292
- of which goodwill	4,691	4,734	5,434	5,077	969	1.020	3 685	2,281	2.458	2,408			17,237	15,519
Return on capital employed	.,	.,	-,	_,		.,	-,	_,	_,	_,				
excl restructuring	17,9%	15.6%	23.2%	21.6%	12.7%	18.6%	16.1%	17.3%	11.3%	11.2%			17.4%	16.3%
Operating income (EBIT)	153	418	500	445	45	86	89	128	86	84	-75	-59	798	1,103
Restructuring costs	316	-	23	-	18	-	79	-	1		-		437	., .
Depreciation	111	117	52	60	16	14	37	12	10	10	3	2	229	214
Net capital expenditure	-1	-66	-48	-38	-40	-6	-55	-23	-4	-8	-5	4	-151	-135
Movement in working capital	-42	78	-31	128	-46	-53	-42	9	-70	-42	-10	-18	-241	102
Cash flow 4)	537	547	498	595	-7	41	108	126	23	44			1,072	1,284
Adjustment for non-cash items											-22	-7	-22	-7
Paid and received interest											-131	-87	-131	-87
Operating cash flow 6													919	1,190

	EN	IEA 7	Amer	icas <sup>e)</sup>	Asia P	acific <sup>5)</sup>	Glol Technolo		Entrance :	Systems	Othe			otal
Jan - Sep and 30 Sep respectively	EUF		USD	M	AUC	М	SEK		SEK		SEK			KM
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Sales, external	965	903	1,031	886	276	259	2,906	2,387	1,925	1,649			23,078 11)	20,272 12
Sates, intragroup	27	22	3	3	32	25	87	62	25	23	-566	-455		
Sales	992	925	1,034	889	308	284	2,993	2,449	1,950	1,672	-566	-455	23,078	20,272
Organic growth <sup>49</sup>	8%	2%	10%	5%	4%	2%	11%	10%	10%	8%			9%	4%
Operating income (EBIT)	155	136	198	163	26	35	418	347	248	230	-242	-197	3,496	3.015
Operating margin (EBIT)	15,6%	14,7%	19,2%	18,3%	8,3%	12,2%	14,0%	14,2%	12,7%	13,8%			15,2%	14,9%
Restructuring costs	-79		-11	-	-11	-	-79	-	-1	-	-		-957	
Operating Income (EBIT)														
incl restructuring costs	76	136	187	163	15	35	339	347	247	230	-242	-197	2,539	3,015
Capital employed	1,042	1,108	1,216	1.058	372	334	5,190	2,959	3,135	3.019	-271	-173	28.645	26.292
- of which goodwill	509	508	737	656	178	173	3,685	2,281	2,458	2,408			17,237	15,519
Return on capital employed														
excl restructuring	18.5%	16.1%	22.8%	20.0%	9.5%	14.0%	13.7%	16.5%	10.3%	10.7%			16.5%	15.7%
Operating income (EBIT)	76	136	187	163	15	35	339	347	247	230	-242	-197	2,539	3,015
Restructuring costs	79	436	187	163	15	35	79	34/	247	230	-242	-18/	2,53 <del>9</del> 957	3,01
Depreciation	37	40	24	23	Ë	8	69	33	30	24	7	7	678	647
Net capital expenditure	-17	-25	-17	-14	-16	-1	-101	-76	-23	-17	-16	- 5	-5t1	-43
Movement in working capital	-41	-32	-41	-7	-7	-2	-155	-58	-31	38	18	-53	-896	-43
											10	-33	2,767	
Cash flow <sup>5)</sup>	134	119	164	165	12	40	231	246	224	275	_	_		2,79
Adjustment for non-cash items											-7	8	.7	1
Paid and received interest											-421	-250	-421	-250
Operating cash flow <sup>5)</sup>													2,339	2,552
Average number of employees	12,359	12,570	9,802	9,164	5,145	4,186	2,127	1,670	1,857	1,624	110	87	31,400	29,301
Average number of employees	12,359	12,570	9,802	9,164	5,145	4,186	2,127	1,670	1,857	1,624	110	87	31,400	29,301
Average number of employees			'	·	•		Gloi	oal .	•				•	
	EN	tEA <sup>7)</sup>	Amer	icas ")	Asia P	actile *	Glot	oel ogies <sup>16)</sup>	Entrance :	Systems	Othe	er .	1	otal
Average number of employees  Jan - Sep and 30 Sep respectively	<u>EN</u>	EA <sup>7</sup>	Amer	icas *)	Asia P	acific *}	Gloi Technok SEK	oal ogies <sup>16)</sup> M	Entrance S	Systems M	Othe SEK	m M		otal EK M
Jan - Sep and 30 Sep respectively	EN SEM 2006	(M 2005	Arner SEK 2006	icas <sup>0)</sup> M 2005	Asia P SEK 2006	acific <sup>9)</sup> . M 2005	Gloi Technoli SEK 2006	oal ogies <sup>16</sup> M 2005	Entrance SEK 2006	Systems M 2005	Othe	er .	1 SI 2006	otal EK M 2005
Jan - Sep and 30 Sep respectively Sales, external	EN SEN 2006 8,971	REA 7) ( M 2005 8,320	Amer SEK 2006 7,730	icas *) M 2005 6,465	Asia P SEK 2006 1,546	acific ** . M 2005 1,451	Glod Technole SEK 2006 2,906	oal ogies <sup>149</sup> . M 	Entrance : SEK 2006 1,925	Systems M 2005 1,649	Othe SEK 2006	or M 2005		otal EK M
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup	2006 8,971 251	REA 7) ( M 2005 8,320 207	Amer SEK 2006 7,730 24	icas *) M 2005 6,465 24	Asia P SEK 2006 1,546 179	2005 1,451	Gloi Technok SEK 2006 2,906 87	ogies <sup>14)</sup> M 2005 2,387 62	Entrance : SEK 2006 1,925 25	Systems M 2005 1,649 23	Othe SEK 2006	or M 2005 -455		otal EK M 2005 20,272 <sup>12)</sup>
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales	8,971 251 9,222	REA 7) ( M 2005 8,320 207 8,527	Arner SEK 2006 7,730 24 7,754	icas ") M 2005 6,465 24 6,489	Asia P SEK 2006 1,546 179 1,725	2005 1,451 139	2006 2,906 87 2,993	pal ogies <sup>14)</sup> M 2005 2,387 62 2,449	Entrance : SEK 2006 1,925 25 1,950	Systems M 2005 1,649 23 1,672	Othe SEK 2006	or M 2005	7 Si 2006 23,078 (1) 23,078	otal EK M 2005 20,272 <sup>12)</sup> 20,272
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4	EN SEM 2006 8,971 251 9,222 8%	8EA 7) ( M 2005 8,320 207 8,527 2%	Amer SEK 2006 7,730 24 7,754 10%	icas <sup>8)</sup> M 2005 6,465 24 6,489 5%	Asia P SEK 2006 1,546 179 1,725 4%	actile <sup>3)</sup> . M 2005 1,451 139 1,590 2%	Glos Technolo SEK 2006 2,906 87 2,993 11%	2005 2,387 62 2,449	Entrance : SEK 2006 1,925 25 1,950 10%	Systems M 2005 1,649 23 1,672 8%	Othe SEK 2006 -566 -566	2005 -455 -455	2006 23,078 23,078 9%	otal EK M 2005 20,272 <sup>17)</sup> 20,273
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>4</sup> Operating income (EBIT)	EN SEK 2006 8,971 251 9,222 8% 1,441	8EA 7 ( M 2005 8,320 207 8,527 2% 1,252	Amer SEK 2006 7,730 24 7,754 10%	icas <sup>9)</sup> M 2005 6,465 24 6,489 5%	Asia P SEK 2006 1,546 179 1,725 4%	actfic <sup>3)</sup> . M 2005 1,451 139 1,590 2% 194	Glod Technolo SEK 2006 2,906 87 2,993 11% 418	2005 2,387 62 2,449 10%	Entrance : SEK 2006 1,925 25 1,950 10% 248	Systems M 2005 1,649 23 1,672 8% 230	Othe SEK 2006	or M 2005 -455	2006 23,078 111 23,078 9% 3,496	otal EK M 2005 20,272 <sup>17)</sup> 20,273 4% 3,015
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>4</sup> Operating income (EBIT) Operating margin (EBIT)	EN SEK 2006 8,971 251 9,222 8% 1,441 15,6%	8EA 7) ( M 2005 8,320 207 8,527 2%	Amer SEK 2006 7,730 24 7,754 10% 1,488	icas <sup>8)</sup> M 2005 6,465 24 6,489 5%	Asia P SEK 2006 1,546 179 1,725 4% 143 8,3%	actile <sup>3)</sup> . M 2005 1,451 139 1,590 2%	Glot Technole SEK 2006 2,906 87 2,993 11% 418 14,0%	2005 2,387 62 2,449	Entrance : SEK 2006 1,925 25 1,950 10% 248 12,7%	Systems M 2005 1,649 23 1,672 8%	Othe SEK 2006 -566 -566	2005 -455 -455	2006 23,078 "1" 23,078 9% 3,496 15,2%	otal EK M 2005 20,272 <sup>17)</sup> 20,273 4% 3,015
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>4</sup> Operating income (EBIT) Operating margin (EBIT) Restructuring costs	EN SEK 2006 8,971 251 9,222 8% 1,441	8EA 7 ( M 2005 8,320 207 8,527 2% 1,252	Amer SEK 2006 7,730 24 7,754 10%	icas <sup>9)</sup> M 2005 6,465 24 6,489 5%	Asia P SEK 2006 1,546 179 1,725 4%	actfic <sup>3)</sup> . M 2005 1,451 139 1,590 2% 194	Glod Technolo SEK 2006 2,906 87 2,993 11% 418	2005 2,387 62 2,449 10%	Entrance : SEK 2006 1,925 25 1,950 10% 248	Systems M 2005 1,649 23 1,672 8% 230	Othe SEK 2006 -566 -566	2005 -455 -455	2006 23,078 111 23,078 9% 3,496	otal EK M 2005
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>4</sup> Operating income (EBIT) Operating margin (EBIT)	EN SEK 2006 8,971 251 9,222 8% 1,441 15,6%	8EA 7 ( M 2005 8,320 207 8,527 2% 1,252	Amer SEK 2006 7,730 24 7,754 10% 1,488	icas <sup>9)</sup> M 2005 6,465 24 6,489 5%	Asia P SEK 2006 1,546 179 1,725 4% 143 8,3%	actfic <sup>3)</sup> . M 2005 1,451 139 1,590 2% 194	Glot Technole SEK 2006 2,906 87 2,993 11% 418 14,0%	2005 2,387 62 2,449 10%	Entrance : SEK 2006 1,925 25 1,950 10% 248 12,7%	Systems M 2005 1,649 23 1,672 8% 230	Othe SEK 2006 -566 -566	2005 -455 -455	2006 23,078 "1" 23,078 9% 3,496 15,2%	otal EK M 2005 20,272 <sup>17)</sup> 20,273 4% 3,015
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating mergin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs	EN SER 2006 8,971 251 9,222 8% 1,441 15,6% -736	1,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19,2% -81	icas ") M 2005 6.465 24 6.489 5% 1.188 18.3%	Asia P SEK 2006 1,546 179 1,725 4% 143 8,3% -60	2005 1,451 139 1,590 2% 194 12,2%	Gloi Technok SEK 2006 2,906 87 2,993 11% 418 14,0% -79	oal opies 101 M 2005 2,387 62 2,449 10% 347 14,2%	Entrance SEK 2006 1,925 25 1,950 10% 248 12,7% -1	Systems M 2005 1,649 23 1,672 8% 230 13,8%	Othw SEK 2006 -566 -566 -242	2005 -455 -455 -197	23,078 11) 23,078 11) 23,078 9% 3,496 15,2% -957 2,539	Otal  EK M 200: 20.272 12; 4% 3,011 14,9%
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed	EN SEM 2006 8,971 251 9,222 8% 1,441 15,6% -736 705	**EA *** 2005 8,320 207 8,527 2% 1,252 14,7% 1,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19,2%	icas **) M 2005 6.465 24 6.489 5% 1.188 18.3%	Asia P SEK 2006 1,546 179 1,725 4% 143 8,3%	2005 1,451 139 1,590 2% 194 12,2%	Gloi Technok SEK 2006 2,906 2,993 11% 418 14,0% -79 339	pal point (19) (19) (19) (19) (19) (19) (19) (19)	Entranca: SEK 2006 1,925 255 1,950 10% 248 12,7% -1 247	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230	Oths SEK 2006 -566 -566	2005 -455 -455 -457	23,078 113 29% 23,078 23,496 15,2% -957 2,539 28,845	0tal EK M 200: 20,272 <sup>17</sup> 20,272 <sup>4%</sup> 3,011 14,9% 3,011
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill	EN SER 2006 8,971 251 9,222 8% 1,441 15,6% -736	1,252	Amer SEK 2006 7.730 24 7.754 10% 1,488 19.2% -81 1,407	icas ") M 2005 6.465 24 6.489 5% 1.188 18.3%	Asia P SE6 2006 1,546 1,725 4% 143 8,3% -60 83	2005 1,451 139 1,590 2% 194 12,2%	Gloi Technok SEK 2006 2,906 87 2,993 11% 418 14,0% -79	oal opies 101 M 2005 2,387 62 2,449 10% 347 14,2%	Entrance SEK 2006 1,925 25 1,950 10% 248 12,7% -1	Systems M 2005 1,649 23 1,672 8% 230 13,8%	Othw SEK 2006 -566 -566 -242	2005 -455 -455 -197	23,078 11) 23,078 11) 23,078 9% 3,496 15,2% -957 2,539	0tal EK M 200: 20,272 <sup>17</sup> 20,272 <sup>4%</sup> 3,011 14,9% 3,011
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed	EN SEM 2006 8,971 251 9,222 8% 1,441 15,6% -736 705	**EA *** 2005 8,320 207 8,527 2% 1,252 14,7% 1,252	Amer SEK 2006 7.730 24 7.754 10% 1,488 19.2% -81 1,407	icas **) M 2005 6.465 24 6.489 5% 1.188 18.3%	Asia P SE6 2006 1,546 1,725 4% 143 8,3% -60 83	2005 1,451 139 1,590 2% 194 12,2%	Gloi Technok SEK 2006 2,906 2,993 11% 418 14,0% -79 339	pal point (19) (19) (19) (19) (19) (19) (19) (19)	Entranca: SEK 2006 1,925 255 1,950 10% 248 12,7% -1 247	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230	Othw SEK 2006 -566 -566 -242	2005 -455 -455 -197	23,078 113 29% 23,078 23,496 15,2% -957 2,539 28,845	200:272 <sup>17)</sup> 20,272 <sup>17)</sup> 20,272 <sup>17)</sup> 4% 3,011 14,9% 3,011 26,29; 15,511
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring	EN SEH 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691	8EA 71 ( M 2005 8,320 207 8,527 2% 1,252 14,7% 1,252 10,330 4,734 16.7%	Amer SEK 2006 7.730 24 7.754 10% 1,488 19.2% -81 1,407 8,965 5,434 22.8%	M 2005 6.465 24 6,489 5% 1.188 18,3% 1,188 8.190 5,077 20.0%	Asia P SEK 2006 1,546 179 1,725 4% 143 8,3% -60 83 2,017 969 9,5%	Actile   1	Glod Technole SEK 2006 2,906 87 2,993 11% 418 14,0% -79 339 5,190 3,685	2005 2,387 62 2,449 10% 347 14,2% 347 2,959 2,281	Entrance: SEK 2006 1,925 25 1,950 10% 248 12.7% -1 247 3.135 2.458 10.3%	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230 3,019 2,408 10,7%	Othwas SEK 2006 -566 -566 -242 -242 -271	-455 -455 -475 -197 -173	23,078 <sup>(1)</sup> 23,078 <sup>(2)</sup> 23,078 <sup>(2)</sup> 3,496 <sup>(3)</sup> 15,2% <sup>(2)</sup> -957 2,539 28,645 <sup>(7)</sup> 16,5%	Otal EK M 2009 20.272 <sup>12)</sup> 20.277 4% 3,019 14,9% 3,019 28,299 15,511
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>40</sup> Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed of which goodwill Return on capital employed excl restructuring Operating income (EBIT)	EN SEP 2006 8,971 251 9,222 8% 1,441 75.6% -736 705 9,609 4,691 18.5% 705	8.520 2005 8,320 207 8,527 2% 1,252 14,7% 1,252	Amer SEK 2006 7,730 7,754 10% 1,488 19,2% -81 1,407 8,965 5,434 22.8% 1,407	M 2005 6,465 24 6,489 5% 1,188 18,3%	Asia P SEK 2006 1.546 179 1,725 4% 143 8,3% -60 83 2,017 969 9.5%	2005 1,451 139 1,590 2% 194 12,2%	Glod Technolo SEK 2006 2,906 2,993 11% 418 14.0% -79 339 5,190 3,685 13.7%	2005 2,387 62 2,449 10% 347 14,2%	Entrance: SEK 2006 1,925 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3%	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230	Othw SEK 2006 -566 -566 -242	2005 -455 -455 -197	23,078 11 23,078 9% 3,496 15,2% -957 2,539 28,845 17,237 16,5% 2,539	otal EK M 2005 20,272 <sup>17</sup> 20,27: 4% 3,011 14,9%
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>49</sup> Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT)	EN SEP 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691 18.5%	1,252 1,252 1,252	Amer SEK 2006 7.730 24 7.754 10% 1,488 19.2% -81 1,407 8.965 5,434 22.6% 1,407 81	M 2005 6,465 24 6,489 5% 1,188 18,3% 1,188 8,190 5,077 20.0%	Asia P SEK 2006 1.546 1.725 4% 143 8.3% -60 83 2.017 969 9.5%	acilic <sup>8</sup> -M 2005 1.451 139 1,590 2% 194 12,2% - 194 1,967 1,020 14.0%	Glod Technols SEK 2006 2,906 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7%	2005 2,387 62 2,449 10% 347 14.2% 347 2,959 2,281 16.5%	Entrance: SEK 2006 1,925 25 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3%	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230 3,019 2,408 10,7% 230	Oths SEK 2006 -566 -566 -242 -242 -271	-197	2006 23,078 ") 23,078 9% 3,496 15,2% -957 2,539 28,845 17,237 16.5% 2,539 957	Otal  EK M 2009 20.272 17 20,277 4% 3,011 14,9% 3,011 15,511 15,7%
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>9</sup> Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Inct restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT) Restructuring costs	EN SEP 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691 18.5%	1,252 10,330 4,734 1,252 1,252 1,252 1,252 10,330 4,734 1,252 1,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19.2% -81 1,407 8,965 5,434 22.8%	icas *) M 2005 6.465 24 6.489 5% 1.188 18.3% 1,188 8.190 5,077 20.0% 1,188	Asia P SEK 2006 1.546 1.79 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47	2005 1,451 139 1,590 2% 194 12,2% 194 1,967 1,020 14.0%	Glod Technolo SEK 2006 2,906 877 2,993 11% 418 14.0% -79 339 5,190 3,685 13.7%	seal spies 169  2005  2,387 62 2,449 10% 347 14.2%  347 2,959 2,281 16.5%	Entrance: SEK 2006 1,925 255 1,950 10% 248 12.7% -1 247 3,135 2,458 10.3% 247 1 30	Systems M 2005 1,649 23 1,672 5% 230 13.6% 230 3.019 2.408 10.7%	Oths SEX 2006 -566 -566 -242 -242 -271	-197 -173	23,078 113 23,078 9% 3,496 15,2% -957 2,539 28,845 17,237 16,5% 2,539 957 678	0tal EK M 200. 20.272 <sup>12)</sup> 20.27 <sup>4</sup> % 3,01: 14,9% 3,01: 26,29 15,51: 15,7% 3,01:
Jan - Sep and 30 Sep respectively  Sales, external Sales, intragroup Sales Corganic growth 4  Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs  Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT) Restructuring costs Depreciation Net capital expenditure	EN SEP 2006 8.971 251 9,222 8% 1,441 75.6% -736 705 9,609 4,691 18.5% 705 736 347 -157	1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252	Amer SEK 2006 7.730 24 7.754 1.488 19.2% -81 1.407 8.965 5.434 22.8% 1.407 81 178 178	M 2005 6.465 24 6,489 5% 1.188 18,3% 1,188 8,190 5,077 20.0% 1,188	Asia P SEK 2006 1.546 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47 -87	194 194 194 194 194 194 194 194 194 194	Gloi Technok SEK 2006 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7% 339 79 69 9-101	201 Spins 169 2005 2,387 2,449 10% 347 14,2% 347 2,959 2,281 16,5% 347 337 76	Entranca : SEK 2006 1,955 25 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3% 247 1 300 -23	Systems M 2005 1,649 23 1,672 6% 230 13,6% 230 3,019 2,408 10.7% 230 241 247	Oths SEK 2006 -566 -566 -242 -242 -271	-197 -173	23,078 19 23,078 19 23,078 99 3,496 15,2% -957 2,539 28,845 17,237 16.5% 2,539 957 678 -511	otal EK M 200 20.272 <sup>17</sup> 20,27 49 3,011 14,99 3,011 26,29 15,51 15,79 3,01
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT) Restructuring costs Depreciation Net capital expenditure Movement in working capital	EN SEP 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691 18.5%	1,252 10,330 4,734 1,252 1,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19,2% -81 1,407 8,965 5,434 22,8% 1,407 81 178 -127 -307	icas *) M 2005 6.465 24 6.489 5% 1.188 18.3% 1,188 8.190 5,077 20.0% 1,188	Asia P SEK 2006 1.546 1.79 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47	acilic **  M 2005  1.451  139  1,590  2%  194  12,2%   194  1,967  1,020  14.0%	Glod Technolo SEK 2006 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7% 339 79 69 -101 1155	2,959 2,281 16.5% 347 2,959 347 347 347 347 347 347 347 347 347 558	Entrance: SEK 2006 1,925 25 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3% 247 1 30 -23 -31	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230 3,019 2,408 10,7% 230 24 -17 38	Oths SEX 2006 -566 -566 -242 -242 -271	-197 -173	23,078 ") 23,078 ") 23,078 9% 3,496 15,2% -957 2,539 28,645 17,237 16,5% 2,539 957 678 -511 -896	0tal 200- 20.272 12/ 20,272 13/ 3,011 14,9% 3,011 15,511 15,7% 3,011 44,434 434 434 434 434 434 434 434 434
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth <sup>49</sup> Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT)	EN SEP 2006 8.971 251 9,222 8% 1,441 75.6% -736 705 9,609 4,691 18.5%	1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252 1,252	Amer SEK 2006 7.730 24 7.754 1.488 19.2% -81 1.407 8.965 5.434 22.8% 1.407 81 178 178	M 2005 6.465 24 6,489 5% 1.188 18,3% 1,188 8,190 5,077 20.0% 1,188	Asia P SEK 2006 1.546 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47 -87	194 194 194 194 194 194 194 194 194 194	Gloi Technok SEK 2006 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7% 339 79 69 9-101	201 Spins 169 2005 2,387 2,449 10% 347 14,2% 347 2,959 2,281 16,5% 347 337 76	Entranca : SEK 2006 1,955 25 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3% 247 1 300 -23	Systems M 2005 1,649 23 1,672 6% 230 13,6% 230 3,019 2,408 10.7% 230 241 247	Oths SEK 2006 -566 -566 -242 -242 -271	-197 -173	23,078 19 23,078 19 23,078 99 3,496 15,2% -957 2,539 28,845 17,237 16.5% 2,539 957 678 -511	0tal 2000 20,272 <sup>12)</sup> 20,272 <sup>12)</sup> 20,272 <sup>13)</sup> 3,011 14,9% 3,011 15,511 15,7% 3,011 644 -434 -434
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Incl restructuring costs Capital employed - of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring Operating income (EBIT) Restructuring costs Depreciation Net capital expenditure Movement in working capital	EN SEP 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691 18.5% 705 347 -157 -382	1,252 10,330 4,734 1,252 1,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19,2% -81 1,407 8,965 5,434 22,8% 1,407 81 178 -127 -307	M 2005 6.465 24 6.489 5% 1.188 8.190 5.077 20.0% 1.188 -101 -49	Asia P SEK 2006 1.546 1.79 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47 -87 -39	acilic **  M 2005  1.451  139  1,590  2%  194  12,2%   194  1,967  1,020  14.0%	Glod Technolo SEK 2006 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7% 339 79 69 -101 1155	2,959 2,281 16.5% 347 2,959 347 347 347 347 347 347 347 347 347 558	Entrance: SEK 2006 1,925 25 1,950 10% 248 12,7% -1 247 3,135 2,458 10,3% 247 1 30 -23 -31	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230 3,019 2,408 10,7% 230 24 -17 38	Oths SEK 2006 -566 -566 -242 -242 -271	-197 -173	23,078 ") 23,078 ") 23,078 9% 3,496 15,2% -957 2,539 28,645 17,237 16,5% 2,539 957 678 -511 -896	2002 20.272 127 20.277 4% 3,011 14,9% 3,011 15,511 15,7% 3,011 644 431 431 2,79
Jan - Sep and 30 Sep respectively Sales, external Sales, intragroup Sales Organic growth 4 Operating income (EBIT) Operating margin (EBIT) Restructuring costs Operating income (EBIT) Inct restructuring costs Operating income (EBIT) Inct restructuring Office of which goodwill Return on capital employed excl restructuring Operating income (EBIT) Restructuring costs Depreciation Net capital expenditure Movement in working capital Cash flow 4	EN SEP 2006 8,971 251 9,222 8% 1,441 15,6% -736 705 9,609 4,691 18.5% 705 347 -157 -382	1,252 10,330 4,734 1,252 1,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252 11,252	Amer SEK 2006 7,730 24 7,754 10% 1,488 19,2% -81 1,407 8,965 5,434 22,8% 1,407 81 178 -127 -307	M 2005 6.465 24 6.489 5% 1.188 8.190 5.077 20.0% 1.188 -101 -49	Asia P SEK 2006 1.546 1.79 1.725 4% 143 8.3% -60 83 2.017 969 9.5% 83 60 47 -87 -39	acilic **  M 2005  1.451  139  1,590  2%  194  12,2%   194  1,967  1,020  14.0%	Glod Technolo SEK 2006 87 2,993 11% 418 14,0% -79 339 5,190 3,685 13,7% 339 79 69 -101 1155	2,959 2,281 16.5% 347 2,959 347 347 347 347 347 347 347 347 347 558	Entrance: SEK 2006 1,925 25 1,950 10% 248 12,7% -1 247 3.135 2.458 10.3% 247 1 30 -23 -31	Systems M 2005 1,649 23 1,672 8% 230 13,6% 230 3,019 2,408 10,7% 230 24 -17 38	Other SEX 2006 -566 -566 -242 -271 -242 -7 -16 18	-197 -197 -173	23,078 11) 23,078 9% 3,496 15,2% -957 2,539 28,645 17,237 16.5% 2,539 957 678 -511 -896 2,767	Otal EK M 2009 20.272 <sup>12)</sup> 20.277 4% 3,019 14,9% 3,019 28,299 15,511

	EMEA 7)	Americas <sup>a)</sup>	Asia Pacific <sup>9)</sup>	Global Technologies <sup>10)</sup>	Entrance Systems	Other	Total
Jan-Dec and 31 Dec respectively	EUR M	USD M	AUD M	SEK M	SEK M	SEK M	SEK M
,	2005	2005	2005	2005	2005	2005	2005
Sales, external	1,225	1,177	356	3,297	2,341		27,802
Sales, intragroup	30	5	33	90	32	-622	
Sales	1,255	1,182	389	3,387	2,373	-622	27,802
Organic growth 6)	3%	5%	2%	12%	8%		5%
Operating income (EBIT)	184	217	43	476	335	-300	4,078
Operating margin (EBIT)	14,7%	18,3%	11,1%	14,1%	14,1%		14,7%
Capital employed	1,077	1,098	340	2,871	3,309	-389	26,653
- of which goodwill	499	664	171	2,309	2,427		15,716
Return on capital employed	16,6%	19,6%	12,9%	17,3%	11,1%		15,9%
Operating income (EBIT)	184	217	43	476	335	-300	4.078
Depreciation	54	31	12	46	32	9	882
Net capital expenditure	-36	-15	-7	-115	-26	-37	-667
Movement in working capital	3	3	-2	-66	-34	-52	-110
Cash flow <sup>6</sup>	205	236	46	341	307		4,183
Adjustment for non-cash items						-26	-26
Paid and received interest						-455	-455
Operating cash flow <sup>6)</sup>							3,702
Average number of employees	12,405	9,251	4,352	1,767	1,714	89	29,578
	_	_	_	Global	Entrance		
	EMEA 7)	Americas 87	Asia Pacific 1)	Technologies 10)	Systems	Other	Total
Jan-Dec and 31 Dec respectively	SEK M	SEK M	SEK M	SEK M	SEK M	SEK M	SEK M
	2005	2005	2005	2005	2005_	2005	2005
Sales, external	11,369	8,775	2,019	3,297	2,341		27,802
Sates, intragroup	280	31	190	90	32	-622	
Sales	11,649	8,806	2,209	3,387	2,373	-622	27,802

	EMEA 7	Americas <sup>83</sup>	Asia Pacific <sup>8)</sup>	Global Technologies <sup>10)</sup>	Entrance Systems	Other	Total
Jan-Dec and 31 Dec respectively	SEK M	SEK M	SEK M	SEK M	SEK M	SEK M	SEK M
	2005	2005	2005	2005	2005_	2005	2005
Sales, external	11,369	8,775	2,019	3,297	2,341		27,802
Sates, intragroup	280	31	190	90	32	-622	
Sales	11,649	8,806	2,209	3,387	2,373	-622	27,802
Organic growth <sup>6)</sup>	3%	5%	2%	12%	8%		5%
Operating income (EBIT)	1,707	1,615	245	476	335	-300	4,078
Operating margin (EBIT)	14,7%	18,3%	11,1%	14,1%	14,1%		14,7%
Capital employed	10,151	8,726	1,985	2,871	3,309	-389	26,653
- of which goodwill	4,709	5,276	995	2,309	2,427		15,716
Return on capital employed	16,6%	19,6%	12,9%	17,3%	11,1%		15,9%
Operating income (EBIT)	1,707	1,615	245	476	335	-300	4,078
Depreciation	499	230	66	46	32	9	882
Net capital expenditure	-335	-114	-40	-115	-26	-37	-667
Movement in working capital	30	24	-12	-66	-34	-52	-110
Cash flow 6)	1,901	1,755	259	341	307		4,183
Adjustment for non-cash items	·	· ·				-26	-26
Paid and received interest						<b>-4</b> 55	-455
Operating cash flow <sup>6)</sup>							3,702

<sup>&</sup>lt;sup>1)</sup> Translated using an average rate for the period, 1 EUR = 9.30

<sup>&</sup>lt;sup>2)</sup> Translated using a closing rate at 30 September 2006, 1 EUR = 9.22

<sup>3)</sup> Number of shares, thousands, used for the calculation amount to 365,918 for all periods

<sup>&</sup>lt;sup>41</sup> Number of shares, thousands, used for calculation; Jul-Sep: 381,050 (378,718), Jan-Sep: 379,606 (378,718), Jan-Dec 2005; 378,718.

<sup>\*\*</sup> Excluding restructuring payments.

Organic growth concern comparable units after adjustment for acquisitions and currency effects.

Europe, Middle East and Africa

<sup>&</sup>lt;sup>6)</sup> North and South America

<sup>\*</sup>Norm and Souri Arreine\*

\*\*Asia, Australia and New Zealand

\*\*Di ASSA ABLOY Hospitality, ASSA ABLOY Identification Technology and ASSA ABLOY HID.

\*\*Di Europe 10,874, North America 9,376, South America 245, Africa 337, Asia 1,101, Pacific 1,145.

<sup>&</sup>lt;sup>12)</sup> Europe 9,705, North America 8,051, South America 184, Africa 276, Asia 931, Pacific 1,125. <sup>13)</sup> Translated using transaction day rate, 1 EUR = 9.29.

<sup>14)</sup> thcome before tax excluding restructuring costs.